



State Board of Equalization

News Release

Chairman Jerome E. Horton

4th District – Los Angeles

Kristine Cazadd
Executive Director
www.boe.ca.gov

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Contact: NR 22-12-H
Jaime Garza
916-327-8988

BOE RELEASES TOP 500 TAX DELINQUENCIES TOTAL \$555.7 MILLION **First Quarter 2012 Tax List Expands from 250 to 500 Debtors**

Sacramento – The State Board of Equalization (BOE) has released its updated Top 500 list of sales and use tax delinquencies totaling \$555.7 million for the first quarter of 2012. The “Top 500” list, mandated by state law since January 2012, encourages those who owe the delinquent taxes to pay their delinquencies by publicly posting the 500 largest unpaid sales and use tax debts online at <http://1.usa.gov/BOETop500>.

Chairman Jerome E. Horton said, “As the legislative author that created the original public disclosure of tax delinquencies law, I’m particularly proud that we are expanding the list from 250 to 500 of the largest tax delinquencies. All Californians suffer because these tax dollars support vital state programs we all depend on.”

Of the \$555.7 million in total tax liabilities for 2012 first quarter, \$105.2 million in liabilities are jointly owned by more than one taxpayer on the list. Tax liabilities under appeal, litigation, or bankruptcy proceedings are not included. Since the inception of this program, 40 qualifying taxpayers whose account balances represents a total of \$43.2 million in sales and use tax liabilities have come forward to take care of their debts. Of the \$43.2 million in liabilities, \$5.3 million has been collected to date. The debts have been taken care of in the following ways: 27 through installment payment agreements and 13 by making payment in full.

Since the BOE and the Franchise Tax Board (FTB) began posting the State’s largest tax delinquencies in 2007, more than \$100 million has been collected by BOE and FTB combined.

Signed into law in 2011, [AB 1424](#) (Perea, Stats. 2011, Ch. 455) increased the number of qualified taxpayers to be listed on the BOE website from 250 to 500. Since 2007, state law required the BOE to post a list of the Top 250 largest sales and use tax delinquencies over \$100,000 in taxes –after notifying debtors that their tax liabilities will be disclosed to the public. The taxpayers identified to be listed are notified 30 days before their information is posted. Under the expanded law, taxpayers must still be notified no less than 30 days prior to their information being posted.

Beginning July 1, 2012, state agencies that issue licenses (including driver licenses and occupational licenses), certificates, registrations, or permits are required to suspend, revoke, and refuse to issue a license if the licensee’s name is included on this Top 500 list. This law requires the licensing state agencies to withhold issuance or renewal of the license of an applicant or to suspend the license of a licensee whose name appears on that list on or after July 1, 2012, after providing a 90-day advance notice to the licensees.

The BOE will provide these agencies with the Top 500 tax delinquent list and they will develop the notices that will instruct delinquent taxpayers to contact the BOE and resolve their tax issues to prevent their licenses/certificates from being revoked or suspended under this new law. Taxpayers will have the opportunity to challenge the submission of their names on the list by submitting a timely written request to the BOE and demonstrating that their name should not be published on the Top 500 list. Once a taxpayer's name is published on the list, the taxpayer may seek removal once the tax is paid or the taxpayer agrees to make payments under an approved installment agreement. Tax liabilities under appeal, in litigation, in bankruptcy proceedings, or under an approved offer in compromise are not included on the Top 500 list. BOE will remove a taxpayer from the list when any of these conditions are fulfilled.

As a member of the California State Assembly in 2006, BOE Chairman Jerome E. Horton authored the original legislation ([AB 1418](#)) requiring the BOE and FTB to each identify on their public websites the State's top tax delinquents owing more than \$100,000 in overdue taxes. The first Top 500 list for FTB will debut in April 2012 on FTB's website at ftb.ca.gov. The BOE's [list](#) of the state's Top 500 sales and use tax delinquencies is updated quarterly at boe.ca.gov. Taxpayers on the BOE list can call 916-445-5167 to resolve their accounts. To view the BOE's Top 500 largest sales and use tax delinquencies list, visit <http://1.usa.gov/BOETop500>.

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Elected in 2010, Chairman Jerome E. Horton is the Fourth District Member of the California State Board of Equalization, representing more than 8.5 million residents in Los Angeles County. He is also the Board of Equalization Legislative Committee chairman. He is the first to serve on the Board of Equalization with over 21 years of experience at the BOE. Horton previously served as an Assembly Member of the California State Assembly from 2000-2006.

The five-member California State Board of Equalization is a publicly elected tax board. The Board of Equalization collects more than \$50 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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